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# LENDER NEWS

A Publication of the Des Moines District Office and Cedar Rapids Branch Office

February, 2005

## From the District Director's Desk

### SBA - For Your Existing Business Customers

One of SBA's national goals is to increase 7(a) loans to start-up businesses to 25 percent of our total 7(a) loan activity. Thanks to you in Iowa, 53 percent of our 7(a) activity is to start-up businesses. Overall, our 7(a) loan activity is up 7 percent from last year and our 504 loan activity up 48 percent.

I want to take a moment, however, to reflect on existing businesses. How often do we focus our energies and efforts in economic development on getting that big project or building new ones? Both of these endeavors require a significant investment and carry more risk than existing enterprises.

Have we overlooked the needs and opportunities for sustaining, growing and expanding the businesses already present in our communities? Addressing those needs can start with something as simple as asking the customer, in this case the small business, what are the challenges you face in your business? What do you need to grow it to the next level?

The answer could be financing, in which case we are often well prepared to address

the need. Likely as not, it will be something different. If so, how can we find the answer and address the need?

The programs and services of our resource partners such as SCORE, Small Business Development Centers (SBDC) and Woman's Business Center and our office are designed to assist you with these questions. These resources are available to your small business customers free of charge, whether they are just thinking of starting operations or have been in operation for generations and are facing new challenges in today's competitive environment.

As you ask and find these unanswered questions, feel free to contact our resource partners or us. Our "Small Business Resource Guide" is a good source for contact information. Let us know if you need a copy or would like copies for your customers.

Sincerely,

Joseph M. Folsom  
District Director

### Iowa SBDCs - Your Small Business Solution

Iowa's Small Business Development Center regional directors and consultants can help you help your customers. Iowa's 13 centers provide hands-on, no charge professional counseling to owners and would-be owners of small and medium size businesses (under 500 employees).

The SBDC can assist your potential start-ups in creating a well-defined business plan, in developing a realistic cash flow, in crafting a sensible, achievable marketing effort. The SBDC resources include classroom training, on-line learning opportunities, marketing information and hands-on mentoring.

For existing businesses experiencing opportunities or difficulties, the SBDCs are

an equally valuable resource.

Do you have an existing business customer with marketing and sales problems? Cash flow shortfalls? Or with general administration and organization problems? The SBDC can also assist those customers.

Are you seeking special help with value-added agriculture, high technology or some other unusual issue or market? Again, the SBDC is aware of programs and resources which can be of assistance to the out-of-the-ordinary customer.

In short, banks and SBDCs can together promote success among Iowa's small business community—97.5 percent of all of Iowa's businesses.

## INFORMATION

### Des Moines District Office

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### LowDoc Processing Center

Sacramento, CA  
(916) 930-2410  
(916) 930-2180 FAX

### Fresno Servicing Center

Fresno, CA  
(559) 487-5650  
(559) 487-5803 FAX

### Liquidation & Purchase Center

Herndon, VA  
(703) 487-9283  
(202) 481-4674 FAX

### PLP Processing Center

Sacramento, CA  
(916) 930-2463 or 930-2460  
(916) 930-2160 FAX

The SBDCs are a cooperating partner of the SBA, its largest funding source. Allow them to help your bank and your customers; they're pleased to be of service. Learn more about the SBDC and the location of the center nearest you at [www.iabusnet.org/sbdc/index.cfm](http://www.iabusnet.org/sbdc/index.cfm) or by calling the SBDC state office in Ames at (515)294-2030.

**REMINDER!**  
**LOWDOC TRAINING**  
**MARCH 1ST - IN CRESTON**  
**Call (515) 284-4653 for Details!**

# Important Information on 1502 Reporting to Colson

It is important that the status of your SBA loan portfolio be reported correctly to Colson Services each month on SBA Form 1502. This would include loans that SBA has approved, but the lender has not funded.

Once SBA has approved a loan, the loan must be reported on the Lender's 1502 report for that month. The loan would be reported as fully undisbursed until such time as there has been a disbursement, partial or full.

If you have any questions on 1502 reporting, please contact Lori Hackney in the Des Moines Office at 515-284-4118.

## USDA Rural Development Offers Energy Grants and Loans

If you have a rural small business customer looking to finance a renewable energy or energy efficiency project in 2005, check out the Renewable Energy and Energy Efficiency Program from USDA Rural Development.

This program provides grants and guaranteed loan funds to farmers, ranchers and rural small business. The minimum grant is \$2,500, the maximum energy efficiency grant is \$250,000, the

maximum renewable energy grant is \$500,000 and the maximum guaranteed loan is \$10 million.

Eligible energy projects include; solar, biomass, anaerobic digesters, geothermal, as well as hydrogen, wind and energy efficiency.

Regulations for the program are targeted to be published in May 2005, as well as the application due date. Potential applicants are being advised to start the

planning process now to allow plenty of time to complete a successful application. Application and technology workshops are expected to be held in May and June after the regulations are published and the application date becomes known.

For more information, you can view preliminary program information at [www.rurdev.usda.gov/ia](http://www.rurdev.usda.gov/ia) or contact the USDA Rural Development State Office at (515) 284-4447.

## SBA Lender Activity Report for January

| LENDER NAME                  | LOCATION     | # | AMOUNT      |
|------------------------------|--------------|---|-------------|
| Black Hawk Co. Econ. Dev.    | Waterloo     | 4 | \$2,425,000 |
| Quad City Bank & Trust Co.   | Bettendorf   | 4 | \$810,000   |
| First American Bank          | Fort Dodge   | 3 | \$2,167,000 |
| U.S. Bank                    | Iowa         | 3 | \$65,400    |
| First Bank                   | Johnston     | 2 | \$835,000   |
| Iowa Business Growth Co.     | Johnston     | 2 | \$746,000   |
| Siouxland Econ. Dev. Corp.   | Sioux City   | 2 | \$260,000   |
| Hedrick Savings Bank         | Ottumwa      | 2 | \$259,000   |
| Capital One                  | Virginia     | 2 | \$125,000   |
| Farmers State Bank           | Marion       | 2 | \$100,000   |
| Community Savings Bank       | Robins       | 2 | \$86,000    |
| Farmers Trust & Savings Bank | Britt        | 1 | \$700,000   |
| Peoples Bank                 | Rock Valley  | 1 | \$450,000   |
| Commercial Federal Bank      | Cedar Rapids | 1 | \$375,000   |
| First American Bank          | Illinois     | 1 | \$350,000   |
| Zions First National Bank    | Utah         | 1 | \$350,000   |
| Stearns Bank                 | Minnesota    | 1 | \$349,600   |
| Washington State Bank        | Washington   | 1 | \$322,000   |
| Corporation for Econ. Dev.   | Des Moines   | 1 | \$309,000   |
| Community State Bank         | Ankeny       | 1 | \$279,000   |
| Gateway State Bank           | Clinton      | 1 | \$268,000   |
| Viking State Bank & Trust    | Decorah      | 1 | \$250,000   |

| LENDER NAME                    | LOCATION     | # | AMOUNT    |
|--------------------------------|--------------|---|-----------|
| E.C.I.A. Business Growth, Inc. | Dubuque      | 1 | \$192,000 |
| American Bank                  | LeMars       | 1 | \$150,000 |
| Polk County Bank               | Johnston     | 1 | \$145,000 |
| First Federal Bank             | Sioux City   | 1 | \$130,000 |
| F&M Bank - Iowa                | Marshalltown | 1 | \$86,500  |
| Central State Bank             | Keokuk       | 1 | \$83,900  |
| Collins Community C.U.         | Cedar Rapids | 1 | \$80,000  |
| Northwest Bank & Trust Co.     | Davenport    | 1 | \$80,000  |
| Frontier Bank                  | Rock Rapids  | 1 | \$75,000  |
| Glenwood State Bank            | Glenwood     | 1 | \$65,000  |
| Burlington Bank and Trust      | Burlington   | 1 | \$62,100  |
| Heartland Bank                 | Somers       | 1 | \$62,000  |
| Humboldt Trust & Savings       | Humboldt     | 1 | \$60,000  |
| Central Bank                   | Sioux City   | 1 | \$58,200  |
| First Central State Bank       | DeWitt       | 1 | \$55,000  |
| Peoples Savings Bank           | Montezuma    | 1 | \$55,000  |
| Bank of America                | Iowa         | 1 | \$50,000  |
| Cedar Rapids Bank & Trust Co.  | Cedar Rapids | 1 | \$44,000  |
| Houghton State Bank            | Red Oak      | 1 | \$30,000  |
| Community Savings Bank         | Edgewood     | 1 | \$25,000  |
| Security Savings Bank          | Gowrie       | 1 | \$13,500  |

*The following lenders in Iowa were participant lenders in the SBA's 504 loan program during the month of January*

| LENDER NAME              | LOCATION | # | AMOUNT      |
|--------------------------|----------|---|-------------|
| Union State Bank         | Monona   | 1 | \$1,500,000 |
| Clarke County State Bank | Denison  | 1 | \$900,000   |
| Fortress Bank of Cresco  | Cresco   | 1 | \$760,677   |
| City State Bank          | Grimes   | 1 | \$424,327   |
| Farmers State Bank       | Marion   | 1 | \$330,000   |

| LENDER NAME                   | LOCATION     | # | AMOUNT    |
|-------------------------------|--------------|---|-----------|
| Cedar Rapids Bank & Trust Co. | Cedar Rapids | 1 | \$265,000 |
| First National Bank           | Ames         | 1 | \$262,500 |
| Wells Fargo Bank              | Sioux City   | 1 | \$197,500 |
| Union Planters Bank NA        | Waterloo     | 1 | \$131,715 |
| Central Bank                  | Sioux City   | 1 | \$127,530 |